

## **Child Care Provider Loan Forgiveness (CCPLF) Program**

### **DETERMINING WHETHER A CHILD CARE FACILITY SERVES A LOW-INCOME COMMUNITY - 2001**

#### **◆ Program Requirement**

Under the program requirements, a borrower must be working in a child care facility that serves a low-income community. For purposes of the CCPLF Program, a child care facility is serving a low-income community if at least 70 percent of the children receiving child care at the facility are from low-income families that earn less than 85 percent of the State median household income. Family income includes income such as earnings and public assistance.

#### **◆ Qualification as a Low-Income Family in the States, the District of Columbia, and Puerto Rico**

For 2001, borrowers and child care facilities may rely on the CCPLF Program chart of median family incomes by household size for fiscal year 2001 for the 50 States of the Union, the District of Columbia, and Puerto Rico. For example, if a facility is in Texas, the income of a family of 4 must be less than \$43,476 for the family's child to be considered from a low-income family for purposes of the CCPLF Program.

For a family of greater than 6, add 3 percent for each additional family member to the 132 percent for a family of 6 and multiply the new percentage by the State's estimated median income for a family of 4. For example, if a facility is in Wyoming, the income of a family of 8 must be less than \$59,811:  $\$43,341 \times (132\% + 6\%) = \$59,811$

#### **◆ Treatment of Territories and Commonwealths**

Under the provisions of section 113 of the Higher Education Act of 1965, as amended, the Secretary is waiving the requirement that the facility in which a borrower provides child care services be a facility serving low-income students in Guam, the U.S. Virgin Islands, American Samoa, and the Commonwealth of the Northern Mariana Islands.

#### **◆ Alternative Qualification as a Low-Income Family**

A child qualifies as coming from a family earning less than 85 percent of the State median household if he or she is receiving services under the Child Care and Development Block Grant Act of 1990 or under the Head Start Program. Even though a borrower is working in a facility with children funded under these programs, the borrower must meet all of the program requirements to receive forgiveness.